

# MEDICARE BASICS

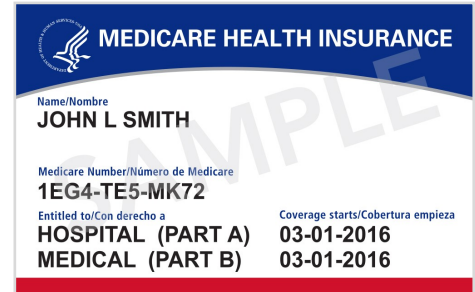
## What You Need to Know About Your Benefits and Options

### What is Medicare?

Medicare is a federal health insurance program for:

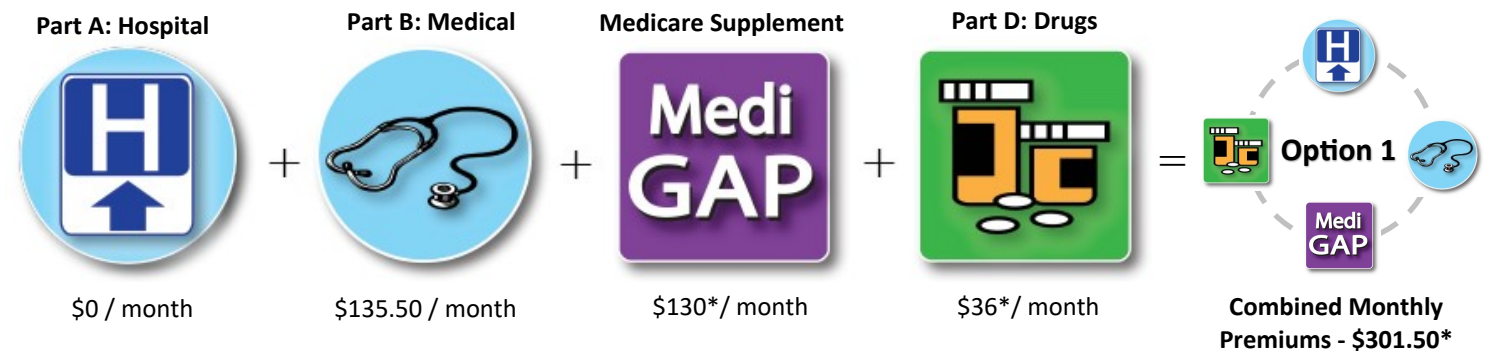
- People age 65 or older
- People under age 65 with certain disabilities
- Individuals with End-Stage Renal Disease (permanent kidney failure)

Medicare has five separate components, each covering different services. People enrolling in Medicare will choose the components that work best for their situation. Remember everyone's situation is different and some people can get insurance through other sources. This brochure is meant to be a general guide; prices and costs are based on an average. For more information specific to your situation, contact the Nebraska SHIIP.



Typically individuals choose one of two options when getting their Medicare coverage.

### Option 1 - Part A, Part B, Medicare Supplement and Part D



### Option 2 - Medicare Advantage Plan

#### Part C: Medicare Advantage



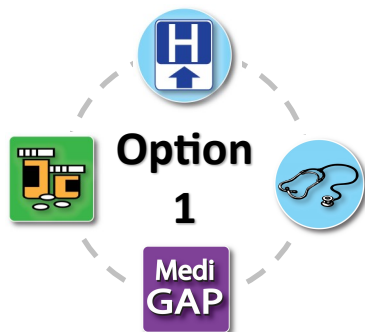
Medicare Part B Premium - \$135.50  
Additional Part C Premium - \$44\*  
**Total Monthly Premium - \$179.50**

Pick either option one or option two, but you should never have both a Supplement and a Medicare Advantage plan!

See the inside of this brochure for information on deductibles and copays for each option.

\*These prices are an average. Price will depend on the plan and company selected.

# Option 1 - Medicare Part A, Part B,



**Covered Items:** When a person chooses Option 1, Medicare Part A, Part B, a Medicare Supplement and a Part D plan all work together. With this combination inpatient care, outpatient care and prescription drugs will all be covered.

## What is Medicare Part A?



**Covered Items:** Medicare Part A covers inpatient hospital stays, skilled nursing facilities, hospice care and home health care.

**Premium Cost:** **\$0 monthly premium** in 2019.

As long as you or your spouse worked 10 years and paid your taxes, Part A has no monthly premium.

**Deductibles and Copays:** An inpatient hospital stay in 2019 includes a **\$1,364 deductible** (per hospitalization) which covers the first 60 days. Part A covers up to an additional 90 days in the hospital per stay. There is a copay for the additional days. Other Part A services have copays as well. Part A does NOT have an out-of-pocket maximum.

## What is Medicare Part B?



**Covered Items:** Medicare Part B covers outpatient services including doctor visits, durable medical equipment, lab work, outpatient surgery and preventive care just to name a few.

**Premium Cost:** **\$135.50 monthly premium** in 2019.

Individuals with annual income more than \$85,000 and married couples with more than \$170,000 will pay a higher premium.

**Deductibles and Copays:** The 2019 **yearly deductible is \$185**. Medicare Part B pays 80% of covered charges, after you meet this deductible. **You are responsible for 20% of the covered charges**. Part B does NOT have an out-of-pocket maximum.

\*These prices are an average. Price will depend on the plan and company selected.

# Medicare Supplement and Part D

## Premium Cost:

Medicare Part A -	\$0
Medicare Part B -	\$135.50
Medicare Supplement Plan G -	\$130*
Medicare Part D Plan -	\$36*
<b>Combined Monthly Premiums \$301.50*</b>	

## Deductibles and Copays:

Inpatient Care -	No deductibles and no copays
Outpatient Care -	\$185 deductible and no copays
Drug Coverage -	\$0-\$415 deductible and copays for each medication

## What is Medicare Supplement Insurance?

**Covered Items:** Medicare Supplements cover the same items Medicare Parts A and B cover. Medicare pays most of your healthcare costs and Medicare Supplement policies help pay your share (co-pays and deductibles) of Medicare-covered services. There are ten standardized plans. Each plan covers a different list of Medicare-covered services.

**Premium Cost:** Premiums vary based on age, where you live, tobacco use, gender and the policy/company you choose. **For example, a Plan G Policy at age 65 ranges from \$90 - \$282 monthly**, depending on the above factors.

**Deductibles and Copays:** The policy you select will determine your deductibles and copays. For example, **with a Plan G policy you must pay the \$185 Part B deductible; all other Part A and B deductibles and copays will be paid 100% by the supplement.**

For information on companies selling Medicare Supplement policies, as well as pricing data, contact the Nebraska SHIP at 1-800-234-7119.



## What is Medicare Part D?

**Covered Items:** Medicare Part D covers prescription medication. Part D Plans are offered by insurance companies. In 2019, Nebraska has 28 different Part D plans. Each Part D plan covers a different list of medications.

**Premium Cost:** Monthly Part D premiums vary according to plan and range from **\$15 - \$94.30** in 2019.

**Deductibles and Copays:** The 2019 **yearly deductible for Part D is \$0 - \$415**, depending on the plan you choose. Once the deductible is met, **each prescription will have a copay or coinsurance**. Plans also include a gap in coverage, otherwise known as the "donut hole." During this time, the cost of medications typically increases.

Not all drug plans may cover your specific combination of prescriptions, so it is important to compare your options. The prescriptions you take will determine which plan will be most cost effective for you.



# Option 2 - Medicare Advantage Plan

## Premium Cost:

Medicare Part A - \$0  
Medicare Part B - \$135.50  
Medicare Advantage - \$44\*

**Monthly Premiums \$179.50\***

## Deductibles and Copays\*:

Inpatient Care - Up to \$1,750\* per hospital stay  
Outpatient Care - \$10\* Doctor, \$40\* Specialist,  
\$300\* Outpatient Surgery  
Drug Coverage - \$0-\$415 deductible  
plus copays



\*These prices are an average. Price will depend on the plan and company selected.

## What is Medicare Part C?

Medicare Part C/Medicare Advantage Plans are offered by insurance companies. Your options will vary depending on where you live. Many counties in the state of Nebraska do NOT have these plans as an option.

**Covered Items:** Medicare Advantage Plans cover the same services Part A (inpatient) and Part B (outpatient) cover. Most plans also include drug coverage (Part D). Some plans offer extra benefits, like dental and vision.

**Premium Cost:** All Medicare Advantage Plan enrollees must **continue to pay the Medicare Part B premium, \$135.50**. Medicare Advantage Plans may also charge an additional premium which will vary based on the plan. **Additional Premiums range from \$0 - \$140.**

**Deductibles and Copays:** Medicare Advantage Plans can have a deductible up to \$1,000 per year, depending on the plan you choose. With a Medicare Advantage plan you will owe a copay for each service each time you receive it. For Example: **Doctor's Visit - \$10\*, Specialist - \$40\*, Outpatient Surgery - \$300\*, Inpatient Hospital Stay - up to \$1,750 per stay\*. Other copays will apply.**



## For More Information and Assistance

### Nebraska Senior Health Insurance Information Program

1033 O Street, Suite 307 | Lincoln, NE 68508

Phone: (800) 234-7119 | TTY: (800) 833-7352

[www.doi.nebraska.gov/shiip](http://www.doi.nebraska.gov/shiip) | [DOI.SHIIP@nebraska.gov](mailto:DOI.SHIIP@nebraska.gov)

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